



ANNUAL REPORT 2019

EXECUTIVE CHAIRMAN'S FOREWORD

As with most things this year, our annual review has been delayed by the ongoing coronavirus crisis.

Indeed, as we enter the second half of what has been an exceptional 2020 it is difficult to now reflect on 2019, as this review is intended to do, without recognising the impact coronavirus has subsequently had.

Everything we were working on last year was to a large extent put on hold by the unfolding crisis we faced. As work stopped on sites across the UK, we totally refocused our efforts to address its impact.

Our new priorities were about how we could help members charter such unforeseen waters, access Government support schemes, survive lockdown, and then develop protocols and procedures to assist them get back to work.

But as we look towards Autumn and continue our work with members and government on measures to nurture a recovery, we are also increasingly turning our focus back to the issues that were, pre coronavirus, at the top of our priority list.

I think many of us will remember 2019 as a year that was characterised by the stalling of the Brexit process and the inevitable political paralysis that followed.

With so much Parliamentary time taken up with Brexit, there was little focus on other policy areas. Furthermore, while the new build housing market remained remarkably resilient through the year cracks did start to emerge in certain sections of the market as the political and economic instability took its toll on consumer confidence.

While Brexit was not within our gift to resolve, we knew that at some point this high stake game of political chess would eventually conclude. It was thus vital that as an industry we continued to progress, look ahead and be ready to respond when the pendulum swung back to domestic politics and with it, the return of home building to the policy spotlight.

One of the policy issues we knew we needed to be proactive on was the environment which rapidly shot up the agenda of the public, media and policy makers in 2019. It is already clear it will be a major focus for Government as it looks to drive a post coronavirus economic recovery. The scale of the challenge cannot be underestimated given there are a broad range of issues that the housing industry will need to address including the Future Homes Standard, biodiversity net gain and electric vehicle charging, to name just a few.

Delivering on the Government's ambition to reach net zero carbon emissions will certainly be challenging and necessitates collaboration with numerous sectors outside of home building. It is why we held HBF's first Housing and Environmental Summit, which brought together all relevant stakeholders to start to plot a cohesive, comprehensive and collaborative pathway to achieving net zero carbon homes.

Another major focus for us last year was with regards to improving the quality of new build homes. Whilst our industry Customer Satisfaction Survey scores show progress is being made, Government continued to reiterate its commitment to overseeing the introduction of a New Homes Ombudsman. This is an agenda on which we have been working for some years now and we made significant progress through the year on our work to develop a 'voluntary' industry led solution. The subsequent launch this year of the independent New Homes Quality Board will, we believe, deliver the Government's objectives of improved quality and strengthened consumer redress, in a way that is workable for industry.

As a key driver of the substantial increases in housing supply seen in recent years, the Help to Buy scheme has remained one of our key focus areas. With the existing scheme due to expire in 2021 we have for some years been pushing hard for a replacement that will enable people to buy with a realistic deposit and so ensure demand for new homes remains high. We thus welcomed

“While Brexit was not within our gift to resolve, we knew that at some point this high stake game of political chess would eventually conclude”

the announcement that a new scheme will be introduced in 2021-2023 and have been working with Government since to try and ensure the rules of the new scheme, including the regional price caps, allow it to deliver.

The General Election may have delayed the publication of the Government's Planning White Paper but that did not mean 2019 was a quiet year on the planning front. From the publication of the Housing Delivery Test results to the strong emphasis on design and beauty through the Building Better, Building Beautiful Commission, there were a number of proposals, findings and ideas for colleagues and members to grapple with.

One of the actions I was most proud of in 2019 was the launch of HBF's Mental Health Awareness Campaign. It is a shocking statistic that every working day, two construction workers take their own lives and it is vital that as an industry, we take steps to protect the mental wellbeing of our workforce. The Campaign has helped to raise awareness of the issue, break down the stigmas associated with mental health, provide members with the skills to support their colleagues and also raised £120,000 for Lighthouse Club, the construction industry charity. We are at the start of a long journey to improve the mental health of the home building industry and we all need to play our part if we are to succeed.

Inevitably, I have only had space to address some of the policy areas we were focused on 2019. Leasehold reform, diversity and inclusion, skills and building safety also kept us busy and the plethora of issues that impacts the industry will only continue to grow.

I would like to take this opportunity to thank our members for their support, our board of directors for their wise counsel and my colleagues for their continuing dedication and hard work, both last year and this.

As the seismic events of 2020 have proved, whatever the future holds, I know that by working together we can overcome any challenge that comes our way.



STEWART BASELEY, EXECUTIVE CHAIRMAN,
HBF POLICY CONFERENCE 2019



HBF COMMITTEES

HBF's committees reflect the day to day work of the in-house policy team. They provide invaluable member feedback on issues or policy implementation that helps to inform HBF in its discussions with ministers, officials and stakeholders or for industry responses to consultations. HBF is extremely grateful to the people who give their time for committee meetings and especially to the Chairs.

Build Europe represents housebuilders in the European Parliament and with the European Commission. HBF is represented on Build Europe by Stewart Baseley, John Slaughter, Terry Roydon and Mike Freshney.

MEET THE TEAM

In 2019, there were a number of changes to the HBF team.

Kieran Walker joined us as our new technical director, with Craig Ferrans going in the opposite direction and back to a member company.

Rachel Myers joined us as membership manager, with the aim of developing new ways in which to engage with members, as well as strengthen relationships and bring new companies to the organisation.

In October, Freya Scott came on board as technical administrator.

Neil Jefferson joined the team as managing director in January 2020. Prior to joining HBF, Neil was chief operating officer at warranty provider NHBC. Between 2008 and 2016, he was seconded as chief executive of the Zero Carbon Hub, providing leadership in the government's vision for zero carbon homes. He was also managing director of the National Centre for Excellence in Housing, which was a joint venture between the NHBC and the Building Research Establishment (BRE). Neil is a chartered builder.

Peter Andrew retired from HBF in June 2020 after five years as deputy chairman following many years in senior industry positions.

In August this year, Jamie Allan, policy and public affairs assistant left HBF to pursue a graduate role. His successor will start at HBF in September.

Stewart Baseley, executive chairman

Neil Jefferson, managing director

Mark Behrendt, planning manager (London & Southern)

Sara Cartin, manager, Skills Partnership

Claire Coward, campaign & communications officer

Sue Green, planning manager (Midlands & South West)

Joanne Harding, planning manager (North East/West & Yorkshire)

Mark Harris, planning & policy advisor for Wales

Jenny Herdman, director, Skills Partnership

Tracey Hill, project & contract manager, Skills Partnership

Razia Iqbal, senior bookkeeper

Marian Macdonald, office manager & pa

Rachel Myers, membership manager

David O'Leary, policy director

Emeline Serex, executive assistant

Freya Scott, technical administrator

Deena Shaw, project coordinator, Skills Partnership

John Slaughter, director of external affairs

James Stevens, director for cities

Lynda Tahri, head of communications, Skills Partnership

Mark Thackstone, finance director

Emma Ramell, policy & public affairs manager

Steve Turner, communications director

Kieran Walker, technical director

Andrew Whitaker, planning director

Catherine Wilson, IT & digital manager



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DAG BEACHCROFT

CLARKSON EVANS
TOMIWA OLUADE
TAYLOR WIMPEY CENTRAL LONDON

MANJEETA PATHAK
REDROW HOMES

ANDREW DAY
TELFORD HOMES

HEIDI KHOSHTAGHAZA
BELLWAY HOMES

TAMDOWN

Building Infrastructure
that sets the standard

Creating the essential infrastructure to enable your development.
+ Design solutions
+ Earthworks
+ Remediation
+ Section 278 works

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CORONAVIRUS

It would be impossible to publish an annual report for 2019 in 2020 without making reference to the global pandemic that has affected us this year.

As the crisis began to unfold and lockdown was imposed at the end of March, work on house building sites ground to a halt across the UK. While the Government permitted construction activity to continue throughout lockdown, time was needed to establish new ways of working safely in line with PHE and Government guidelines regarding social distancing. Closure of much of the supply chain and the sales market and concerns around public perception also contributed to the decision.

During this period, HBF worked with members, Government and stakeholders to produce a Charter for Safe Working Practice on site and protocols for the reopening of sales offices which helped support a safe and gradual industry return to work.

Throughout the pandemic, we held frequent discussions with members to understand their most pressing concerns. These conversations enabled us to effectively communicate the industry's priorities to Government and officials. As a result, we have helped secure measures from Government to support the industry recovery including improved access for builders to coronavirus support packages, an extension to the practical completion deadline for Help to Buy and extensions to planning permissions.

We have also been keeping members updated on the latest Covid-19 developments through our Coronavirus Briefing and the Coronavirus Resource Page on the HBF website which includes links to the latest Government guidance. HBF also launched a campaign to help provide the NHS with PPE equipment and we worked with members to coordinate the supply of unused and surplus PPE to their local NHS centres.

With some semblance of normality now returning, our attentions are focused on supporting the industry to play its role in the economic recovery.

BREXIT AND THE GENERAL ELECTION

If there was one word that was used more frequently than any other in 2019, it was probably Brexit.

The UK was originally set to leave the EU on 29 March 2019, however this date slipped to April and then October as Parliament continued to reject the then Prime Minister, Theresa May's, Withdrawal Agreement. Brexit eventually took place on 31 January 2020 but not before a change in Prime Minister, a pre-Christmas General Election and a renegotiation with the EU. The transition period will last until the end of 2020.

While few welcomed the prospect of yet another General Election, the Conservative Party's decisive electoral victory in which they earned an 80 seat majority in the House of Commons did at least pave the way for the Withdrawal Agreement to pass through Parliament, bringing an end to the impasse after months of negotiations.

The change in leadership from Theresa May to Boris Johnson inevitably meant that the industry also had to familiarise itself with a new Prime Minister, a new Cabinet and new priorities. Shortly after taking office following the July 2019 Conservative Party leadership contest, the Prime Minister undertook a reshuffle in which Robert Jenrick replaced James Brokenshire as Housing Secretary, and Esther McVey took Kit Malthouse's place as Housing Minister. In February 2020, there were further changes as Mr Johnson revamped his team following his election victory. As such, Esther McVey's tenure as Housing Minister came to an end and the industry had to familiarise itself with a new face: Christopher Pincher.

While it started off slowly, 2019 certainly ended with a considerable amount of change.

NEW HELP TO BUY SCHEME AND POST-HELP TO BUY CONSIDERATIONS

Integral to the 93% increase in housing supply over the past six years has been the Government's Help to Buy scheme. Help to Buy has also had a substantial impact on home ownership levels, supporting a continuation of robust first-time buyer activity in the housing market.

Help to Buy, however, has weathered significant criticism from politicians and the press in the last few years. In particular, the revelation in the National Audit Office (NAO) review of the scheme published in 2019 stating that 31% of buyers in England could have bought a property without Help to Buy, drew attacks on the scheme from several political and media stakeholders. HBF provided evidence to the NAO and represented the industry at the hearing of the House of Commons Public Accounts Committee (PAC) when it considered the conclusions of the NAO report. This gave an opportunity to rebut accusations that Help to Buy has merely inflated prices without a significant impact on housing supply.

Throughout recent years we have worked hard to stress the importance of the scheme and the need for a replacement to be in place for when the existing scheme ends. The Conservative manifesto reiterated its commitment to home ownership and confirmed the previously announced new Help to Buy scheme (albeit with more limited eligibility) running from 2021-2023 and an increase in the number of discounted market homes for sale to local first-time buyers and funded through Section 106.

As the current iteration of Help to Buy enters its final stage, HBF has sought to ensure that the industry that has been able to make its representations on the new 2021-23 scheme, as well as analysing the potential impact of the implementation of regional price caps, the results of which were shared with Treasury, Number 10 and MHCLG officials and advisers.

NEW BUILD MORTGAGES

Looking beyond Help to Buy, HBF has continued to facilitate roundtable discussions with members, lenders and third parties regarding options on industry-led alternatives to Help to Buy post-2023, exploring a range of options ranging from top-up lending to indemnity options in an attempt to ensure continued confidence between builders and lenders in regards to high LTV mortgages. Coronavirus has resulted in a further reduction in high LTV mortgages making the discussions over future new build mortgage provision even more of a pressing issue.

NEW HOMES OMBUDSMAN

Throughout 2019 we continued to work with a broad range of stakeholders to determine how a New Homes Ombudsman could be put in place, something that remains a key objective for Government.

It is an agenda we have been working on now for some years. Our proposal remains to develop a new industry Code of Practice, comprising a unified version of the existing consumer codes in operation, along with additional responsibilities for builders to cover the gaps in protections we identified.

Throughout the year, we worked with existing code bodies, lenders, consumer groups and a broad range of other stakeholders to progress this work. We also increasingly developed our thinking on where the new code and the ombudsman would sit within a new framework. Throughout we ensured our proposals aligned with Government thinking and that ministers and officials were kept updated. Our ambition has been to put something in place that has Government support and that ultimately could be supported by legislation.

In early summer, HBF appointed Natalie Elphicke, who has a wealth of sector experience, as the independent New Homes Quality Champion, to finalise the code, agree the framework and operationalise the new arrangements.

This work has continued to progress at pace through 2020 and in Spring the interim New Homes Quality Board was launched, an independent body with responsibility for operationalising the new arrangements in the coming months.

We have also been part of the Government's wider Housing Redress Working Group comprising representatives from ombudsman bodies from across the sector. Ultimately, Government's ambition is to have a one stop shop portal for any consumer complaints about any tenure of housing and we are keen to ensure that our New Homes Ombudsman proposals are taken into account and dovetail with what emerges.

We have also been part of a wider industry group looking at proposals for a template 'snagging survey'. We have increasingly been made aware of new homes being subject to surveys by 'pop up' snagging companies that sometimes identify hundreds of so-called defects, many of which builders do not recognise as such. With the increased focus on this area and growing propensity for customers to take out such a survey, we felt that agreeing a standard version of such a survey, and a set of common standards against

which it is measured and an agreed level of certification / qualification for the inspector would have clear benefits. We have worked with a range of stakeholders including building surveyors, lenders, conveyancers, snagging inspectors, warranty providers among others, and are hopeful that what emerges will be sensible and beneficial and can be incorporated into the new industry code of practice.

CUSTOMER SATISFACTION SURVEY

In March of last year, we published our latest star ratings and survey results. At an industry level they showed a third successive year of improved scores across all question areas. This provides strong evidence for us as we look to demonstrate to Government and other external stakeholders – and with the media when responding to negative new build stories – the huge amount of progress being made by the industry with regards to improved build quality and customer service. The annual results published this year showed further improvements again.

In the summer of 2019, we started to publish quarterly rolling year updates on participants % scores for the key question - 'would you recommend your builder to a friend?'. This new data set provides a much more up to date measure of industry performance and there has been considerable interest, in particular from City analysts. We feel this is reflective of the wider focus there now is on quality and customer satisfaction how it is seen as a key measure of a company's overall performance. Moving forward, we are considering how we develop the survey to ensure it remains a key measure of performance for the industry and how potentially it could sit within the framework being developed around a New Homes Ombudsman.

IMAGE WORK

Via various forums for some years now we have been considering what we can do collectively to improve the image of the industry and a number of initiatives, driven mainly through our Marketing and Communications group, were delivered.

However, we have been acutely aware of the need to do more on this critical workstream and target initiatives for a range of different audiences. If we are to push Government for more policy assistance, we simply have to address some of the perceptions we know prevail;

POLICY ACTIVITIES



GRAINNE GILMORE, HMI 2019

whilst our ability to sell homes is reliant on public confidence in our product; the likelihood of getting planning permissions agreed, or attracting young people into our industry is heavily reliant on our image. Progressing work on issues such as the environment and the ombudsman will obviously help but more needs to be done from a communications perspective.

To better appreciate the task at hand, in early 2019 we undertook some research to understand the impression stakeholders and the public have of the industry, and of HBF. The industry's reputation amongst the public was mixed, but maybe not as negative as initially predicted. However, the stakeholder perception audit (that included MPs, officials, political advisors, journalists etc.) showed there was a clear lack of trust in the industry with this key audience.

We thus decided to develop a campaign and, following a pitch process, took on a public affairs agency, Field Consulting to assist. With them we have developed two initial campaigns, focussed on skills and community benefits, aimed at positively positioning the industry with decision makers that will involve parliamentary events, targeted publications, media and social media work. We had planned to run one campaign in autumn 2019 and one in January 2020, but the General Election meant that the skills campaign was pushed back to March 2020 with the Building Communities campaign delayed until September 2020 due to coronavirus. However, we have been working closely with members on case studies and supportive collateral and the extra time should enable us to maximise the opportunities.

LEASEHOLD REFORM

Leasehold continued to be a major area of focus for HBF, as discussions regarding reform and alternatives to leasehold continued. HBF responded to several government consultations this year regarding leasehold, including a Law Commission consultation on leasehold enfranchisement. HBF also cooperated with the Competition and Markets Authority (CMA) in light of their investigation of the mis-selling of leasehold properties, enabling members to contribute to the investigation directly.

Additionally, HBF facilitated collaboration between stakeholders and members to gather signatories for the 'leasehold pledge', and held roundtable talks with members regarding the viability of commonhold as a practical alternative to leasehold.

As forecasted by HBF in early discussions with Government on this subject, the number of leases being originated for

new build houses is down to minimal levels. Using Help to Buy transactions as a sample, fewer than 1 in 50 new build houses are now being sold with leases compared with more than 1 in 6 at the peak in 2016/17.

Leasehold reform remains one of HBF's priority focus areas and we anticipate further activity from the CMA, Law Commission and the Government over the coming months.

RETIREMENT HOUSING

Building on previous work to raise the concerns of retirement house builders regarding the Government's leasehold reform proposals, in March last year we submitted a response to the Law Commission's consultation on reinvigorating commonhold in which we outlined the specific needs of this part of the sector. We therefore welcomed confirmation from the Government in July that retirement properties will be exempt from plans to reduce ground rents for new leases to zero.

In June, MHCLG published updated guidance for councils in preparing planning policies on housing for older and disabled people. The revised guidance is available on our website.

We have also been working with the three largest specialist retirement developers on a new programme of research and campaign activity to make the case for a greater supply of housing for older people. The campaign, branded Homes for Later Living, objective is to make the case for more places to live that are specially designed for older people, offering independence and privacy along with the peace of mind and a ready-made social community. A report, Healthier and Happier, was published as part of the Campaign in September and has been promoted on social media.

AFFORDABLE HOUSING

We worked with the Smith Institute's Affordable Housing Commission, chaired by Lord Best and supported by the Nationwide Foundation, that was tasked with researching the nature and scale of the affordability problem. As well as taking part in fringe debates at both the Labour and Conservative Party conferences, the commissioners pulled together a series of recommendations to address the affordability problem. The final report was published in March 2020.

SMEs

Over the course of last summer, HBF began collaborating with members in order to build a portfolio of case studies to provide political, media and other stakeholders with real-life examples of the barriers and challenges facing SME developers in the built environment. The case studies will help us to evidence the real-life challenges being faced by small home building companies during discussions with policy makers.

HBF also engaged frequently with the SME House Builders All Party Parliamentary Group (APPG) in Westminster. We attended every meeting throughout the year and submitted written evidence to several of their inquiries, including on immigration and planning. We are currently exploring the possibility of hosting a conference on SME issues in conjunction with Homes England and partners. This was originally due to be held in the first half of 2020 but has been delayed due to coronavirus. In the coming months, we hope to resume planning of the event as this would present a good opportunity to shine a light on the barriers to growth that SMEs face in our industry and provide a platform for workable solutions.

BUILT ENVIRONMENT SECTOR DEAL

Throughout 2019, HBF worked with officials and the British Property Federation (BPF) to explore the possibility of agreeing a Built Environment Sector Deal, a partnership between the government and industry on sector-specific issues. A number of other industries and sectors across the economy already have deals in place but progress on this particular Deal has been slow due to the changes in Government, the General Election and the need to ensure it accurately reflects our current policy priorities, particularly the environment. At present, it is unclear whether the progression of Sector Deals will continue to be a priority for the Government, particularly in light of the coronavirus pandemic, but we will keep members informed via the usual channels.



FORMER SECRETARY OF STATE FOR
HOUSING JAMES BROKENSHIRE, HBF
POLICY CONFERENCE 2019

FUTURE HOMES STANDARD

First announced in the Government's Spring Statement in March 2019, proposals for steps towards the Future Homes Standard in 2025 were published for consultation in October and included a significant uplift to the standards of Part L of the Building Regulations and changes to Part F proposed for 2020. This is the first stage in achieving the Future Homes Standard with the Government's preference being for a 31% reduction in carbon emissions. A further change to regulations is proposed for 2025 to require new build homes to be future-proofed with low carbon heating such as heat pumps and world-leading levels of energy efficiency by implementing very high fabric standards. On 16th December, NHBC hosted a forum for HBF and our members to hold a roundtable and breakout session with members to establish an industry response to the consultation.

This is a very important consultation for the industry and will shape the way we design, build and occupy homes for years to come. The change in approach and performance criteria is significant and will undoubtedly represent a turning point in the Government and the industries' approach to energy efficiency of new homes. HBF's response was submitted in February 2020 and we anticipate that the Government's response will be published in autumn 2020.

ENVIRONMENT BILL: BIODIVERSITY NET GAIN

The Government's long-awaited Environment Bill was finally unveiled in the Government's Queen's Speech in October. Although the Bill was unable to progress beyond its second reading due to the dissolution of Parliament for the General Election, the Bill made a swift return in 2020.

One of the key elements of the Bill includes the introduction of a mandatory requirement for biodiversity net gain for new developments. It will also create duties on ministers to set binding environmental targets in the areas of nature, water, air and resources which is likely to impact on the home building industry.

As such, HBF is continuing to work with the Broadway Initiative which is brokering common ground between industry bodies and NGOs to influence Government thinking on the provisions of the Environment Bill.

ELECTRIC VEHICLE CHARGING

A further element of the environmental agenda is the move towards electric vehicles and the implications for home building. In July, the Government launched a consultation in which they proposed to alter building regulations to include requirements for electric vehicle charge points on residential buildings.

HBF submitted a response to the consultation in October 2019 in which we confirmed our commitment to ensuring electric vehicle charging is implemented on a national scale, while highlighting the complexities and challenges involved. You can read our response in full on our website. It is currently anticipated that this new building regulation will be implemented in Spring 2021 and enforced on all schemes moving forward in the Autumn of 2021.

ENVIRONMENT SUMMIT

Further to all of the above, and considering the rapidly growing focus on environmental issues, in late 2019 HBF started planning a Summit for the start of 2020 to bring together the wide range of interested parties involved in house building. The ultimate objective of the summit was to start a process by which all parties could work together to develop realistic deliverable solutions to the environmental challenges ahead. The summit took place with representatives from Government and across the sector and workstreams are being progressed to ensure house builders are at the forefront of the UK's drive towards a green economy.

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ENVIRONMENT



PLANNING

The start of 2019 saw the publication of the new Housing Delivery Test results, resulting in 108 local authorities being required to write an action plan setting out how they were going to address their shortfall. Of these 108, 87 fell below the required 85% delivery rate and were thus required to include a 20% buffer of deliverable and developable land in their housing supply calculations. This added greater weight to S78 appeal considerations argued on the basis of a lack of housing land supply. However, it has been a trend throughout the year that other considerations (such as landscape impact and protection of heritage assets) have started to be given more weight in appeal decisions than the lack of housing land supply.

Measuring the delivery of homes planned for within local plans has been at the top of the HBF agenda for some time. It is important that not only do we look forward through the requirement for a five-year supply of land for housing, but we also hold LPAs to account for whether or not their assumptions and policies result in the assumed delivery rates.

A report by the National Audit Office (to which HBF had provided considerable evidence) criticised the Government on its planning delivery performance, particularly its reliance on a plan led system to deliver the new homes target of 300,000 dwellings per year. The lack of any real sanctions on local authorities who did not produce plans or keep them up to date led to the NAO expressing concerns that the Government had little or no control over meeting this target. But it was the political turmoil of Brexit and the Conservative Party leadership contest that had the most effect on planning in the latter half of the year. Many local Councils changed political control as electors moved from supporting the two main national parties to more minor parties and independent candidates. Emerging plans (and, in some cases, existing, adopted plans) were held up or withdrawn by new Councillors creating considerable uncertainty around even committed and allocated schemes.

The new Government and the constant threat of a General Election perpetuated that planning uncertainty and meant delay to promised changes to the planning process through a planning white paper (this was eventually published in August 2020).

LOCAL PLANS TEAM

We continued to engage with local planning authorities across the country through the work of the local plans managers around the country. The team consults regularly with HBF

members in order to ensure that submissions on emerging and formally submitted plans represent local interests and expectations. The deadline for submission of plans to be tested against the old NPPF (rather than the new, more stringent tests of the 2019 NPPF) led to a spike in the number of local plan inquiries over the year, although the political uncertainty has reduced the number of authorities moving forward on plan production in the latter part of the year. A summary of the work done can be found [here](#).

MHCLG PUBLIC LAND DISPOSALS

Throughout the year we have had numerous discussions with MHCLG officials working on the development of the Government's new strategy for public land disposals. Officials have also had the opportunity to hear views directly from industry as they have attended several meetings of our HBF member groups. We also organised for a small number of members to take part in a Government roundtable at the Ministry with representatives of Ministry of Defence, Ministry of Justice, Department of Health, Homes England, MHCLG, Department for Transport and Network Rail.

AFFORDABLE HOUSING AND PLANNING APPEALS FOI EXERCISE

In a wide-ranging Freedom of Information exercise, HBF has surveyed all local authorities in England and Wales and is collating information relating to planning permissions, appeals, affordable housing and unspent Section 106 contributions. Data collection and analysis is ongoing.

DEVOLUTION AND COMBINED AUTHORITIES

HBF continued in its efforts to try and build relationships with the new combined authorities. Relationships with key staff have now been established in Tees Valley, Liverpool City Region, Greater Manchester, Sheffield City Region, the West Midlands and the West of England. Key reports were made about the positive effects of house building in these areas.

DRAFT LONDON PLAN

November last year saw the publication of the Planning Inspectorate Committee's report in response to the Mayor's Draft London Plan (DLP), which found that the Mayor's assessment of housing need (66,000 dwelling per annum) was sound, but that his assessment of housing land capacity in London was unreliable, leading the Panel to recommend a strategic review of London's green belt.

HBF made a series of representations to the Panel on behalf of the industry and was able to exert significant influence on the Panel's final response to the Mayor's DLP. HBF's representations regarding the Mayor's Duty to Cooperate with boroughs, the need for a strategic review of the London's Green Belt and Metropolitan Open Land, and London's housing capacity in particular were well-received, and were evident in the Panel's final response to the DLP.

HBF produced an in-depth briefing on key areas of interest for members, available on the HBF [website](#).

WEST OF ENGLAND JOINT SPATIAL PLAN

HBF participated in the examination of the West of England Joint Spatial Plan over the summer to ensure a deliverable plan for housing for the four authorities involved. The examining Panel subsequently advised the West of England councils to withdraw the Plan owing to irremediable issues of soundness. The HBF has written to the West of England Mayor and the councils offering its assistance to find a temporary way through the deadlock so that housing delivery in strategic locations is not impeded for too long.

GREATER MANCHESTER

Earlier in 2019, HBF provided its comments on the draft Greater Manchester Plan – a plan that aims to provide 201,000 homes over twenty years, including some 25,000 on land removed from the Green Belt. It has subsequently met with the Combined Authority to discuss how the Plan can be improved and reinforced to secure a smooth passage through examination, drawing upon the HBF's expertise in spatial plan production from elsewhere in the country. HBF has also participated in panel discussions with Mayor, Andy Burnham, discussing how the Mayor's political priorities for housing can be secured.

Design and quality were at the top of the agenda with the publication of the Government's national design guide late in 2019, followed up by the final report of the Building Better, Building Beautiful Commission and a National Model Design Code.

NATIONAL DESIGN GUIDE

In October, the Government launched its new National Design Guide. The Guide sets out the ten characteristics and three principles of a well-designed place and forms part of the Government's planning practice guidance. It should be read alongside the separate planning practice guidance on design process and tools.

BUILDING BETTER, BUILDING BEAUTIFUL COMMISSION

HBF continued to engage with the Building Better, Building Beautiful Commission throughout 2019, which was tasked with advising the Government on how to promote and increase the use of high-quality design for new build homes and neighbourhoods. The Commission published its interim report in July in it they proposed an initial eight areas of reform based on principles such as 'beauty first', 'places not houses' and 'early collaboration not confrontation'.

The Commission's final report was delayed to January 2020 due to the general election at the end of 2019. The final report, 'Living with Beauty', featured a number of recommendations, including planning to create a predictable level playing field, changes to the planning system to allow for consulting with communities, ending the scandal of 'left-behind' places, creating neighbourhoods not just houses, focusing more on green spaces and adding nature back to where we live, education and skills to promote a wider understanding of placemaking, and management.

HOUSING DESIGN AUDIT

We were also been involved with the Housing Design Audit undertaken by the Place Alliance.

The audit for 2019 was published early in 2020. The findings can be read in full [here](#) and includes:

- Designing for safety and security and a variety of housing types are key elements that are being done well
- Some issues in designing for highways, parking and bins, environmental impacts, car-dependence, connections and amenities, character and sense of place.

In the audit, house builders were advised that a new ethical approach to design would be key, invest in an internal design infrastructure, ensure residents are happy, economics of design.

DESIGN

CONSULTATION RESPONSES

HBF has made representation on behalf of the industry to a number of government consultations on technical issues this year.

In terms of building safety reforms, HBF submitted a detailed response in July, which formed part of the eagerly-awaited revised Part B (fire safety) reforms for buildings over 18m which have recently been set out in the Building Safety Bill published in July 2020 and is currently out for consultation.

October saw the closure of the government's consultation into electric vehicle charging points. After seeking views from members and holding discussions with the Office for Light Emission Vehicles (OLEV) and OFGEM, HBF submitted its response to the consultation.

In November, HBF responded to the consultation regarding the mandatory installation of sprinklers on all buildings over 18m. This consultation will also likely from part of the revised Approved Document Part B.

As addressed earlier in this report, during the final months of 2019, we were working on our response to the Part L/F (Future Homes Standard) consultation, which closed in February 2020. In April 2020, a further consultation was launched by MHCLG that would reduce the ban on combustible materials on buildings down from 18 to 11m. In addition to this was the proposed 18-month relaxation on certain building elements such as cavity trays and laminated glass. This is likely to be implemented through amendments to Part B in the Autumn of 2020.

TECHNICAL ADVICE NOTE 14

We have been part of a RICS working group looking at how we address the issue of 'zero valuations' following the publication of Advice Note 14 and guidance issued to valuers and lenders from RICS. Through this group, a new External Wall Fire Review form (EWS 1) was published in December 19 which has been compiled by both the fire assessment and lending communities which seeks to address the current impasse around cladding, combustibility, and zero valuations. The form and process will bring clarity to the market, bringing transparency for lenders with regards to what to request and what to expect to receive and will also allow a common sense approach to be taken on buildings that are clearly of limited combustibility and will allow a methodical assessment route for suitably qualified professionals on buildings which cannot be easily assessed.

& TECHNICAL

FREEDOM OF INFORMATION EXERCISE

A wide-reaching FOI exercise has been undertaken with all County Councils and Unitary Councils in the UK to establish their performance in relation to the speed at which Highway approvals are granted and also into the wide-ranging disparity on bond and inspection fee values. The exercise will now be undertaken on an annual basis in order to begin analysing trends and the varying performance of these authorities and the consequent impact on builders and development. The objective of this exercise is to establish a publicly available league table of high and low performing County Councils and Unitary Authorities. This will help as we push DFT for a recognised set of national standards not just for design but for bonds, inspection fees and commuted sums.

REGIONAL TECHNICAL MEETINGS

HBF hosted two rounds of regional technical meetings in 2019, from the North East to the South West. In addition, HBF has established two separate meeting groups for the South West. A new group, based in Exeter, will cover Cornwall, Devon and Somerset. The original group, based in Bristol, will continue to serve developers in Avon, Gloucestershire, Wiltshire and Worcester.

TECHNICAL CONFERENCE

The National Technical conference was held in September and enjoyed an excellent turnout. A number of guest speakers attended and presented on various pertinent topics, including the eagerly anticipated Part L consultation, Building Safety Reform, the Electric Vehicle charging consultation and the implementation of new building regulations in mid-2020, a utilities forum panel comprising various utility providers, as well as speakers from NHBC giving updates on NHBC structure and standards. This year's conference will include guest speakers from MHCLG, RICS, Openreach, OFWAT and Triconnex and will give an overview of the regulatory landscape and challenges and opportunities in front of the industry.

NITRATES

HBF has also been working with local authorities on the South Coast of England on the issues of the planning moratorium currently imposed on them due to Natural England's guidance on nitrate neutrality. HBF has continued to collaborate with stakeholders including MHCLG, OFWAT and Natural England to find a workable solution to the nitrates issue and to allow normal development to recommence in the area. The latest solutions that have been found to this issue involve allocating land to offset the impact of housebuilding and therefore reduce overall nitrate impact paid for by a per plot levy for both minor and major applications.

MMC

The early tenure of former Housing Minister Esther McVey was marked by a renewed focus and investment in modern methods of construction (MMC) on behalf of Government. In October, as part of the Government's plans to stimulate 'a housing green-revolution', McVey designated the North of England to be the UK's 'centre of excellence' for MMC. Then in November, Cast Consultancy's CEO Mark Farmer was appointed as the Government's 'MMC Champion', a well-respected industry figure who will work with the industry and the government to further accelerate the uptake of MMC in the UK.

Throughout the year, HBF continued to ensure that the industry has been able to shape discussions around MMC, as evidenced by our submission to the Ministry for Housing, Communities and Local Government (MHCLG) inquiry into MMC in January, which allowed builders to make their representations directly to the government on the risks and opportunities associated with MMC.

HBF will continue to work with all parties to ensure that all MMC proposals are practical and implementable for the industry.

HBF FUTURES

Through the work of the Home Building Skills Partnership and the running of the HBF Future Talent Conference, we have identified that there is an interest among our members to establish an active network for young professionals and managers who may be the industry leaders of the future. As such, we are looking to set up an 'HBF Futures Group'. Similar groups are being run in the property sector and have proved successful. Plans are currently at an early stage and further information will be provided in the latter part of 2020.

CITB PATHWAYS INTO CONSTRUCTION FUND

In August last year, the Partnership was awarded £1.9m as part of the CITB's Pathways into Construction Initiative. The funding is being used over a three-year period to attract new entrants into the industry from four key underrepresented groups: women, further education (FE) students, service leavers and those not-in-employment-education-or-training (NEETs).

Significant progress has been made in establishing each Pathway:

- FE Leavers – 47 students have signed up to the programme, with eight employers engaged and supporting the scheme. Additionally, 13 colleges across Kent, Surrey, East Sussex and Surrey are participating in the programme
- Women – 16 women have successfully completed two weeks training on the first training scheme in London. 15 women have since secured placements across six home builders. The next programme will be in the Midlands and seven employers have already committed 18 work placements
- Service leavers – two Pathway models are in development, with negotiations underway with two potential delivery partners in East Anglia and the South East
- NEETs – Currently seeking delivery partners – recommendations welcome. Discussions are ongoing with Futures in the Midlands, Foundation of Light in the North East and two home builders regarding the prospect of bespoke programmes in Liverpool and North Wales.

ATTRACT CAMPAIGN

April saw the launch of the Partnership's latest Attract campaign, which is aimed at getting more young people to consider a career in home building. In conjunction with the media agency 33Red, we produced The Sound of House Building video, which was well-received and has continued to be promoted throughout the duration of the Attract campaign.

The second phase of the Attract campaign launched in November, and was predominantly a social media campaign that is designed to appeal to Generation Z, by challenging misconceptions of the industry by showcasing the wide variety of job opportunities, workspaces and advantages associated with a career in home building.

The campaign was active on social media sites including Facebook, YouTube and Instagram. The results of this phase of the campaign resulted in a 57% increase in views on our Housebuilding Careers website and a total of 740 hours' worth of views of the campaign's resources over an eight week period.

This phase of the campaign ran until the end of January 2020. An example of the resources on YouTube can be found on the HBF website.

Additionally, we provided our members with weekly Social Media Toolkits, which allow members to amplify the messaging of the campaign on their own websites. We have also added over 20 new home building career case studies on the Housebuilding Careers website, enabling prospective entrants to the industry to hear about the benefits of a career in the industry first-hand.

HBSP IMPACT EVALUATION

Towards the end of 2019, the Partnership initiated an external evaluation in conjunction with Sky Blue in order to gauge the impact of its work.

The survey has now closed and a final evaluation of the results was published in May 2020, highlighting the positive contribution the Partnership is making to the industry. I would like to thank all members who participated in this important review.

BRICKWORK MASTERCLASSES

In collaboration with NHBC and the Association of Brickwork Contractors, the Partnership has delivered over 381 masterclasses to over 3,000 bricklayers in 2019, delivering practical guidance and training on the most common brickwork issues found by inspection and claims teams.

The masterclasses have proved massively popular, resulting in the granting of further CITB funding to allow the training of 13,000 extra bricklayers.

NEW INDUSTRY VISITOR CARD

The Partnership worked with CSCS, CITB, Reference Point and CIGA to launch a replacement for the to be withdrawn CSCS site visitor card. A trial card was tested with Barratt Homes, and the official launch of a house building specific visitor card was made in December 2019. Take up of the card continues to increase.

SKILLS FRAMEWORKS LAUNCHED FOR THE SECTOR

In 2019, the Skills Partnership released its Skills Frameworks, based upon key roles experiencing skills shortages. Developed by members of the Skills & Development group, the frameworks have been designed to clearly illustrate the training modules employees need to complete to perform their roles effectively. To compliment these frameworks, a number of workforce development tools were created to support employers with their recruitment, performance evaluation and induction of staff. The frameworks can be found at www.hbf.co.uk/skillsframeworks.

FUTURE OF THE HOME BUILDING SKILLS PARTNERSHIP

The HBF Board agreed that Home Building Skills Partnership will amalgamate into HBF as the CITB initial seed funding period comes to a close. An annual delivery plan and future budget has since been presented to the HBF board.

The vital work that HBSP does in regard to supporting the industry to attract new talent, skills and retention will continue regardless, and the HBSP continues to bid for external funds and support in pursuit of these ambitions.



SKILLS

SAMINA MUKIT, ASSISTANT SITE
MANAGER, GALLIARD HOMES,
SKILLS AMBASSADOR PART OF THE
2019 ATTRACT CAMPAIGN.

PARLIAMENTARY CONFERENCES & ENGAGEMENT

PARTY CONFERENCES

HBF hosted three fringe events at each of the Labour and Conservative Party in 2019, taking the opportunity to raise awareness of important issues facing the home building industry.

The three events: 'Housing and the environment: The climate for change' (HBF), 'Supporting good mental health in the built environment' (HBF/BPF) and 'Building sustainable communities and rising to the housing challenge' (HBF/BPF/RTPI) were well-attended and facilitated productive cross-sector discussions on critical issues facing the sector, ranging from raising awareness of mental health issues in the industry to the importance of place-making and biodiversity in planning.

ENGAGEMENT

HBF increased its proactive engagement with Parliamentarians throughout 2019. The ongoing image issues facing the home building industry means that it's more important than ever to reach out to MPs and Peers across the political spectrum and highlight the benefits that developers are providing at both a local and national level.

As part of this engagement, we produced a number of briefings for Parliamentarians on a range of topics including housing supply, affordability, MMC, quality and mental health awareness to help inform debate and discussion on house building. We have also been tracking the questions raised in Parliament and writing to those with an interest in areas related to housing. Of course, we have also continued to attend meetings of many All-Party Parliamentary Groups (APPGs), particularly the SME House Builders APPG.

Before the summer, we published the first edition of our new Parliamentary Briefing. This is intended to be a quarterly communication for MPs and Peers to provide them with examples of recent industry activities, the latest statistics on homebuilding, information on the challenges facing the sector and HBF's policy work and campaigns.

DIVERSITY AND INCLUSION

HBF's Diversity and Inclusion Group started 2019 with a clear purpose; to serve as a forum where members could share experiences and exchange best practice on overcoming the barriers to diversity and inclusion within the homebuilding industry's workforce.

After an initial scene setting meeting in January, subsequent meetings have each focused on a specific issue including flexible working, the gender pay gap and attraction and retention. Each meeting starts with a presentation from either a member or external speaker before the discussion is opened out to the wider group.

A resources page for members has also been added to the HBF website.

GDPR

The GDPR requirements pose a considerable challenge for house builders. We have ensured Government and the Information Commissioners Office (ICO), which is responsible for the regulation requirements, have been aware of the issues and in the autumn, and ICO representative attended and briefed the HBF legal group.

MEMBERSHIP AND WEBSITE

Last summer we launched a membership survey to better understand the areas in which we are performing well and the areas where we can improve. Thank you to all those who participated in the survey, your feedback is very much valued and will help us to help you.

Following on from that we recently launched a new and improved HBF website members' area. This will enable you to take advantage of many new functions such as managing meeting invitations, updating contact details and mailing preferences and your company's entry in the online directory, please click here to view our member guide. This development coincided with the launch of our new CRM system in October which should enable us to communicate with members more effectively.



JOHN HEALEY FORMER
SHADOW HOUSING SECRETARY
POLICY CONFERENCE 2019

MEDIA & CAMPAIGNS

SOPHIE ROBINSON, CELEBRITY
INTERIOR DESIGNER AND NEW
HOMES WEEK AMBASSADOR



MEDIA

In 2019, HBF continued to represent the industry in the media across a wide range of issues. On non-company specific subjects, members continue to point journalists to HBF. As a result, we provided numerous briefings and quotes on a broad variety of issues to ensure the industry perspective is considered. We also undertook a large number of broadcast interviews for national/local radio and TV. Issues have included Help to Buy and general housing policy announcements; leasehold; build quality; management fees; a plethora of planning issues at a local/national level including land banking, greenbelt and biodiversity. In Spring the issue of bird netting got considerable coverage and we undertook interviews for a number of tv/radio stations and programmes including all the main news bulletins, plus more consumer shows such as The One Show and Countryfile. As a result of this we have been working with RSPB in an attempt to mitigate the issue when it will inevitably arise again.

On a more proactive front, we issue regular press releases to generate some positive media around reports we published or Government announcements such as the housing numbers.

We undertake an ongoing programme of briefings for national journalists.

NEW HOMES WEEK

In 2019, the annual New Homes Week campaign, promoting the benefits of new homes to customers, took place in May. Celebrity interior designer Sophie Robinson was our New Homes Week ambassador. She produced a series of films promoting design ideas, which were widely shared on social media platforms, and resulted in an 84% increase in interactions compared to 2018 and national press coverage including a feature in the Daily Mail.

MENTAL HEALTH AWARENESS CAMPAIGN

In March of last year, we launched our mental health awareness campaign in conjunction with the Lighthouse Club, a charity dedicated to providing emotional and financial support to employees and their families in the construction sector, in light of shocking statistics regarding mental health in the construction sector and the UK more widely.

Since the launch of the campaign, over 50 home builders have signed up to support our campaign and industry has donated £120,000 to the Lighthouse Club which will be used to ensure the resources are available to those struggling with mental health issues in the industry.

However, this campaign is about more than donations. By signing the Building Mental Health Charter, delivering Mental Health Toolbox Talks and offering Mental Health Awareness and Mental Health First Aid training, developers have been able to make significant progress in regards to both offering more support for people struggling with mental health in the workplace and reducing the stigma attached to mental health.

Carrying forward the momentum of the campaign, HBF hosted mental health receptions at the Labour and Conservative Party Conferences and provided members with a social media toolkit to raise awareness of mental health in the construction sector on World Mental Health Day (October 10).

HBF and its members will continue to raise awareness of mental health in homebuilding. Going forwards, one of our priorities will be for the campaign to reach more of the industry's subcontractors to ensure that all employees across the industry are aware of where to turn for help should they need it. Further information can also be found on our website www.hbf.co.uk/mentalhealth.

REPORTS

Economic footprint of home building: Regional reports
Following on from the publication of our national report in conjunction with Lichfields in 2018, The Economic Footprint of UK House Building, HBF published numerous regional variations of the report to illustrate the economic, fiscal and community benefits that the home building industry delivers at a local level. In 2019, we have published regional reports for Greater London, North of Tyne, Greater Manchester, West of England, Liverpool City Region, Cumbria, Cambridgeshire & Peterborough and Yorkshire & the Humber.

All reports published so far can be found on the HBF website.

For the home building industry in Wales, 2019 presented another challenging year. The operating environment remained much more difficult than across the border in England; whilst the new Housing and Local Government Minister, Julie James, was publicly critical of the industry in terms of quality, space standards and place making.

Throughout the year, we engaged with the Welsh Government at various levels on a range of policies that impact our industry, including the TAN 1 Joint Housing Land Availability Studies. The Consultation proposed to: remove the requirement for local planning authorities to provide a 5 five year supply of land for housing, revoke Technical Advice Note (TAN) 1 and monitor housing delivery, rather than housing land supply, using housing trajectories. We objected to the proposals on the basis that they were badly timed and would result in less land being available for house building.

On Help to Buy, we still await clarification from England on the future funding for Help to Buy before Wales can confirm an extension between 2021-2023. The current scheme is due to end for reservations on the 31 March 2021 with completions required before the 31 December 2021. We will continue to keep members updated.

In March, we launched our Mental Health Awareness Campaign to help end the stigma of mental health and provide support for workers in the industry. The Campaign was launched at a meeting between Welsh Government, HBF and the Lighthouse Construction Industry Charity in Cardiff and we delighted that Minister Julie James gave her support. Further information about the Campaign can be found [here](#).

Throughout the year, HBF participated in a range of Welsh Government working groups on a variety of issues including: Un-adopted roads, maintenance companies, leasehold reform, Vacant Land Tax, Help to Buy Wales and placemaking, to name a few. A summary of the activities can be found in previous editions of our Chairman's Update. Unsurprisingly, the progress of these groups has stalled in 2020 due to the coronavirus pandemic.

We also formulated a response to the Welsh Government's consultation on the National Development Framework (NDF) which closed in November. Our submission raised several concerns, including the lack of support for private house builders, lack of ambition, imposition of greenbelts and policies which proposed to further concentrate growth on existing urban areas. Once again, coronavirus has delayed progress on the NDF but the Welsh Government has expressed an ambition to adopt it before the end of this term of Government in April 2021.

As 2019 drew to a close, the Welsh Government published its consultation outlining proposed changes to Part L (conservation of fuel and power) and Part F (ventilation) of the Building Regulations. The Welsh Government's intention is to improve the energy efficiency requirements for new homes and is the first stage of a two-part consultation. Our response to the consultation was submitted in early 2020.



WELSH

LAUNCH OF THE MENTAL HEALTH
AWARENESS CAMPAIGN IN WALES
2019.

HOUSEBUILDER MEDIA

Housebuilder Media had an excellent 2019 with advertising revenue strong in Housebuilder magazine and another year of successful events – but this seems something of a distant memory given the challenges of 2020.

HBM benefits from its unique position at the heart of the housebuilding industry, leading the way in providing business useful information and networking opportunities throughout the year – and this generated much success in 2019, as it has for the years since 2009. This unique position has become more important in 2020.

In 2019 HBM's events were well attended and well supported, with The Housebuilder Awards and the annual Housing Market Intelligence conference and annual report launch leading the way. These combined with the strong advertising performance to ensure 2019 was yet another excellent year in terms of the quality of media delivered and financial success.

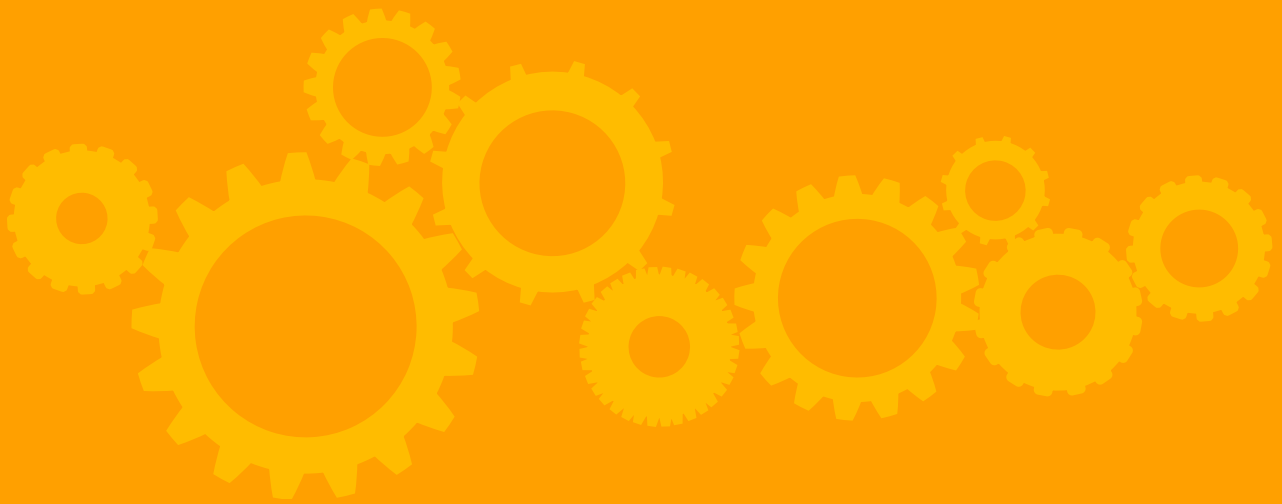
HBM'S TEAM

Ben Roskrow, publishing director
Helen Board, business manager
Rob Houghton, Southern sales manager
Kellie Kent, events manager
Suzie Mayes, reporter
Tim Mullin, Northern sales manager
Lisa Sweeney, events and publishing assistant

The core of the business, Housebuilder magazine, continues to provide unrivalled coverage of the many issues affecting the housebuilding industry both on paper and online. The house-builder.co.uk website provides up to date industry news, features and events details.

Clearly this special position in the industry has become more important in 2020, with the industry looking to Housebuilder magazine and Housebuilder Media events to deliver information during the pandemic. HBM has moved quickly to adapt to deliver this information in any way possible in this difficult year, with the magazine still published in physical form and the conferences and other events going online. Meanwhile the online and email news and information service has flourished.





The Home Builders Federation (HBF) is the representative body of the home building industry in England and Wales. The HBF's member firms account for some 80% of all new homes built in England and Wales in any one year, and include companies of all sizes, ranging from multi-national, household names through regionally based businesses to small local companies.

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